

NOTE: NEED TO INCLUDE SOME LANGUAGE SAYING SOMETHING ALONG THE LINES OF "Here are some brief responses to the comments/questions in your XDATE email message" AND OFFERING A STAFF-LEVEL TELEPHONE CONFERENCE TO DISCUSS FURTHER.

Bruce,

I am back in the office and understand that the plan is for those of us at the March 12, 2013 meeting to reconvene via videoconference. Given that you indicated that we need one week to work out any IT-related issues for a videoconference, have you identified any potential dates for a videoconference next week?

Additionally, here are some brief responses to the comments/questions in your March 29, 2013 email message. Jan Carlson (the staff attorney for Allied Landfill) and I would be happy to have a telephone conference with you if you want to discuss these issues further.

Thanks,
Michael

COMMENT: In reviewing your proposed changes, I have several comments and questions. On page 2, near the top where the discussion regarding the EQ proposal for \$118 Million was noted, you have suggested that the phrase ". . . investigated and ultimately rejected due to various concerns and issues . . ." be deleted. Has the USEPA not rejected the EQ proposal? It has been indicated to the City (and I believe in several public meetings) that the EQ proposal was not feasible from USEPA's perspective and had already been eliminated as an option. Please let me know if the USEPA has modified its position on the EQ proposal.

Response: We do not recall this topic being discussed at our March 12 meeting and apologize for any confusion on this point. USEPA included and evaluated the "total removal" alternative in the FS, which continues to be under consideration in addition to the other alternatives identified in the FS. Following completion of the FS, EPA will issue a proposed plan for public comment whose purpose is to provide the public with a reasonable opportunity to comment on the preferred alternative for remedial action, as well as the other alternatives in the FS. Staff anticipates that Alternative 2B will be identified as the preferred alternative; however the total removal alternative will be in the FS, under consideration and subject to public comment in addition to Alternative 2B. USEPA has not yet selected the remedy for OU1.

COMMENT: I am also a bit perplexed by the comments on page 3 regarding the monies that will be provided to the State of Michigan. I don't recall any discussion regarding the current ongoing maintenance at OU-1 other than the City's request for information regarding ongoing annual operation & maintenance costs at the site. I also don't recall (nor does Mike Wetzel) any discussion regarding the specific amount of

\$1.67 million dollars. Was this allocation from the bankruptcy court in addition to the \$50 million allocated for clean-up activities at OU-1 or separate from those monies? Also, I assume this was a lump sum allocated to the State of Michigan for operation & maintenance activities for the time frame between the bankruptcy settlement and implementation of the proposed remedy. If so, how much of the \$1.67 Million has already been spent by the State of Michigan at OU-1? Would the City be able to obtain this information directly from the State of Michigan?

Response: We miscommunicated the details of the bankruptcy settlement during the meeting. Paragraph 18 of the Lyondale Bankruptcy Settlement Agreement discusses the allocation of funds to the Environmental Custodial Trust for the Allied Paper Mill Site, summarized below.

\$50,050,000 Custodial Trust Response Cost Account (USEPA - Lead Government Agency)

\$2,000,000 Custodial Trust Restoration Cost Account (Federal Trustee – Lead Government Agency)

\$1,671,850 Custodial Trust MDNRE Cost Account (MDNRE – Lead Government Agency)

You may contact Polly Sync, Michigan Attorney General's Office, regarding use of the funds allocated to the State.

COMMENT: I am also unclear as to the clarification provided, again on page 3, under item 3) indicating that ". . . a detailed groundwater monitoring plan will not be developed until the remedial design phase . . .". While I appreciate the clarification to a certain degree, the alternative phrasing provided makes it seem that there hasn't been any discussion regarding any future monitoring plans for OU-1. I am aware that the City and USEPA have already had numerous discussions regarding proposed future groundwater monitoring plans and has offered several ideas as to what should be included. The phrasing provided seems to imply that no such discussions have occurred nor will any of the ideas already expressed be considered. I am hopeful that the City will receive more than cursory input into such a critical part of any plan especially as it relates to protection of the City's main wellfield.

Response: The wording was not meant to imply that such discussions have not occurred, but to clarify when a detailed monitoring plan would be developed. At our March 12 meeting we stated that the remedy will call for a robust monitoring system, and that USEPA will work out the specifics with the City during the design phase. At that time, we anticipate working with the City on the details of the monitoring network. This will also be a chance to see how the network fits into the other networks in Kalamazoo.

